Since area-based exemptions create economic distortions affecting economic viability of units located in non exempted areas and result in shifting of the industries from non exempted areas to exempted areas, the requests for extending area-based exemptions to other States were not accepted.

(c) and (d) No such request has been received from the Industry. In the absence of any such request, there is no proposal to frame any action plan in this regard.

Law to Deal with Hawala Operators

4003. SHRI KARNENDU BHATTACHARJEE: Will the Minister of FINANCE be please to state:

(a) whether the militants and other underworld Mafia getting money through Hawala is on the increase;

(b) whether there is any law to deal with Hawala operators who arrange funds of unlawful organizations;

(c) what action Government are likely to take by making stringent law to deal with exclusively with Hawala operators and financiers of militant organizations due to inadequacy of present law;

(d) whether such law will also ensure that money routed through foreign countries to NGOs in the country is not used for militant activities; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (e) The information is being collected and will be laid on the Table of the House.

Amendment of Foreign Currency Convertible Bonds and Ordinary Shares Scheme, 1993

4004. SHRI VARINDER SINGH BAJWA: Will the Minister of FINANCE be please to state:

(a) whether it is a fact that the Department of Economic Affairs has amended the issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 vide

Press Notes dated 31st August, 2005 and 31st March, 2006 in regard to floating of GDR/ADR/FCCB issues by unlisted companies etc., and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Yes Sir. Government, vide Press Note of 31st August 2005, stipulated the eligibility condition for issuer and subscriber under this Scheme. It brought pricing guidelines on par with SEBI guidelines for domestic issues. It also stipulated that the unlisted companies, which had issued GDRs/FCCBs in the international market, would require to list in the domestic market on making profit beginning financial year 2005-06 or within three years of such issue of GDRs/FCCBs, whichever is earlier. Based on the representations, Government vide Press Note dated 31st March, 2006, permitted unlisted companies which had accessed FCCBs or ADR/ GDRs in terms of Guidelines of 22nd May 1998 and were not making profit, to comply with listing conditions on the domestic stock exchanges within three years of having started making profit. However, no fresh issues of FCCBs or ADR/GDRs by such companies will be permitted without listing first on the domestic exchanges.

Availing of LTC by Central Government Employees for Srinagar by air

4005. SHRI VARINDER SINGH BAJWA: Will the Minister of FINANCE be please to state:

(a) whether Government have allowed Central Government employees to avail LTC to Srinagar by air;

(b) whether it is a fact that most of the Central Government employees have not availed the opportunity due to non-availability of seats in Indian Airlines flights in the months of May and June, 2006;

(c) if so, whether Government proposed to extend LTC facility by air to Srinagar for some more months;

(d) if so, the details thereof; and

(e) whether Government would extend such facility to North-Eastern States also?